SENATE FLOOR AMENDMENTS

Amendments proposed by Senator Martiny to Reengrossed House Bill No. 766 by Representative Ponti

1 AMENDMENT NO. 1

2 On page 1, line 3, change "and 3578.4.1," to "3578.4.1, 3578.6(A)(9), 3578.8(E), and
3 3578.9,"

4 AMENDMENT NO. 2

5 On page 1, line 11, after "transactions;" insert "to provide for a common database; to provide
6 for duties of the commissioner of the office of financial institutions;"

7 AMENDMENT NO. 3

8 On page 1, line 15, change "and 3578.4.1" to "3578.4.1, 3578.6(A)(9), 3578.8(E), and
9 3578.9"

10 AMENDMENT NO. 4

11 On page 8, between lines 9 and 10 and insert:

12 "§3578.6. Prohibited acts
13 A. A licensee shall not:
14   *   *   *
15   (9) Originate a deferred presentment transaction or small loan with a
16 consumer who has three loans outstanding or a maximum aggregate of one thousand
17 fifty dollars outstanding in loans, as verified by the common database provided in
18 R.S. 9:3578.9.
19   *   *   *"

20 AMENDMENT NO. 5

21 On page 8, between lines 16 and 17 insert:

22 "§3578.8. Powers of the commissioner; adoption of rules and regulations
23   *   *   *
24   E. The commissioner shall approve the use of a common database with real-
25 time access through an Internet connection for licensees who make deferred
26 presentment transactions or small loans. The common database shall be accessible
27 to licensees and to the commissioner to verify the number and nature of transactions
28 that are outstanding for each consumer. The commissioner is hereby authorized to
29 collect from the licensee for the use of the common database a fee not to exceed one
30 dollar per transaction.
31 §3578.9. Common database requirements
32   A. A licensee shall:
33   (1) When entering into a deferred presentment transaction or small loan,
34 accurately and immediately submit to the common database any data in the format
35 that the commissioner may require, including the borrower's name, address, or
36 employment authorization number, amount of transaction, date of transaction, and
37 anticipated date the transaction will be paid in full.
38   (2) Promptly correct any incorrect data entered into the common database
39 that was previous submitted.
40   (3) Promptly record the date a deferred presentment transaction or small loan
41 is paid in full.
42   B. A licensee shall continue to enter and update all required information for
43 any deferred presentment transaction or small loan subject to this Chapter that is

1   outstanding or has not yet matured after the date on which the licensee no longer has
2   the license required by this Chapter. Within ten business days after ceasing to make
3   deferred presentment transactions or small loans subject to this Chapter, the licensee
4   shall submit a plan for continuing compliance with this Section to the commissioner
5   for approval. Within five days of receiving a plan for continuing compliance, the
6   commission shall approve or disapprove the plan and may require the licensee to
7   submit a new or modified plan that ensures compliance with this Section.
8   C. A licensee may charge to the consumer the amount collected by the
9   commissioner from the licensee pursuant to R.S. 9:3578.8(E). This charge shall be
10   included in, and shall not be in addition to, the amount of fees the licensee is
11   authorized to charge pursuant to R.S. 9:3578.4.
12   D. A licensee may rely on the information contained in the common database
13   as accurate and shall not be subject to administrative fines or penalties as a result of
14   reasonably relying on inaccurate information contained in the common database.
15   E. Any information in the common database regarding any person's
16   transactional history shall be kept confidential and shall not be a public record.
17   F. A common database provider shall do each of the following:
18   (1) Protect the identity of all borrowers by using a numerical identification
19   system in lieu of a social security number.
20   (2) Indemnify and hold harmless the licensees for any breach of
21   confidentiality due to the provider's lack of data security. Additionally, each
22   provider shall maintain a minimum of one million dollars of professional liability
23   insurance coverage with an aggregate of three million dollars for any security breach
24   resulting directly from the operation of the common database.